

City Realty Gets Boost From 'Outsiders'

Times of India, Aug 28, 2011

HYDERABAD: It's the [migrant population](#) of Hyderabad that is now queuing up to buy dream homes in the city. Unperturbed by the 'T' sentiment which is keeping locals away from the property market, outsiders are cashing in on the revised realty rates on offer. Rough market estimates suggest that at least 70% of clientele comprise those from outside the state.

In the last one year, Aparna Constructions sold 350 units in its 'Aparna Sarovar' project in Nalagandla, of which 273 were bought by non-Hyderabad customers. Even its second project 'Cyber Commune', in the same area, saw as many as 185 non-locals buying apartments as against a meager 65 from the state. Ditto PBEL's venture, 'PBEL City', near the Andhra Pradesh Police Academy junction. Of the 305 homes that found buyers in this project, 280 were from states such as Maharashtra and Delhi with jobs in the city. Even Trident sealed deals with at least 55 non-local buyers for its Kompally-based 'Trident Grande' venture that has so far found a total of 70 customers. Further, the sales figures of Ashoka builders too suggest that close to 40% of their properties are owned by denizens from outside the state.

"Instead of paying steep rents, it is better to invest in property now," said IT professional Swapnil Bajaj who recently booked an apartment in PBEL City that is currently on sale for Rs 2,850 per square foot (sft). He added, "Being from Chandrapur (Maharashtra), my choice was between Nagpur (closest city to his home town) and Hyderabad. While the prices in Nagpur are similar or in some cases even higher than here, the city, however, is not as well developed as Hyderabad. It neither has leading IT offices nor high quality infrastructure." According to Bajaj, several 'outsiders' like him, from the city's service sector, are now turning to the local property market, the 'T' trouble notwithstanding. And besides the cheap deals, it's also the affordable cost of living that is drawing them here. "The city, especially the IT hub, has great prospects. The political unrest is just a passing phase and will not deter growth anyway. It's a safe haven for property investment," said a Kolkata-based customer of 'Trident Grande'.

And while a good chunk of this non-local customer-base consists of high-heeled techies working around the Madhapur-Gachibowli stretch, there are also those from the defence and bio-tech industries who are now considering real estate as an investment option. Not surprising then, industry majors are hopeful of a good show over the next few quarters even if a conclusive decision on separate statehood is not reached. In fact, some of them even claim that permanent residents of neighbouring states too are now eyeing the Hyderabad market. "While it is premature to say that it is a trend, I have received a few enquiries from people, especially from Maharashtra, who wish to invest in property here. The only reason being the affordable pricing," said Nitin Bichala, managing director of Brook Realtors.